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ASCENSION PARISH CLERK OF COURT

FINANCIAL STATEMENTS

JUNE 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/10/08

ASCENSION PARISH CLERK OF COURT

JUNE 30, 2008
FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

Honorable Kermit A. Bourque
Ascension Parish Clerk of Court
Gonzales, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the fiduciary fund of the Ascension Parish Clerk of Court (the Clerk), as of and for the year ended June 30, 2008, which collectively comprise the Clerk's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Ascension Parish Clerk of Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary funds of the Ascension Parish Clerk of Court, as of June 30, 2008, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and budgetary comparison information on pages 4 through 9, and 25 respectively, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2008 on our consideration of the Ascension Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Postlethwaite & Netterville

October 6, 2008

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Kermit A. Bourque
Ascension Parish Clerk of Court
Gonzales, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the fiduciary fund of Ascension Parish Clerk of Court as of and for the year ended June 30, 2008, which collectively comprise the Ascension Parish Clerk of Court's basic financial statements, and have issued our report thereon dated October 6, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ascension Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ascension Parish Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Ascension Parish Clerk of Court's, internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Ascension Parish Clerk of Court's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Ascension Parish Clerk of Court's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Ascension Parish Clerk of Court's financial statements that is more than inconsequential will not be prevented or detected by the Ascension Parish Clerk of Court's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Ascension Parish Clerk of Court's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Clerk, management, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Pentthorn & Nettie

October 6, 2008

ASCENSION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

This section of Ascension Parish Clerk of Court's annual financial report presents our discussion and analysis of the Clerk's financial performance during the fiscal year that ended on June 30, 2008. This document focuses on the current year's activities, resulting changes, and currently know facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- The Clerk's total net assets increased approximately \$844,555 over the course of this year's operations.
- During the year, the Clerk's expenses were \$3,261,038.
- Expenses for the year were increased by approximately \$158,500 or 5.1 percent.
- The general fund reported fund balance of \$5,024,239 in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the financial statements, and required supplementary information. The financial statements include two kinds of statements that present different views of the Clerk:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Clerk's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Clerk's government, reporting the Clerk's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.
 - Fiduciary fund statements provide information about the financial relationships in which the Clerk acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Clerk's financial statements, including the portion of the Clerk's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

ASCENSION PARISH CLERK OF COURT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

Figure A-1

Major Features of the Clerk's Government and Fund Financial Statements

	Government-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire Clerk government (except fiduciary funds)	The activities of the Clerk that are not proprietary or fiduciary, such as general government	Instances in which the Clerk is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none">• Statement of net assets• Statement of activities	<ul style="list-style-type: none">• Balance Sheet• Statement of revenues, expenditures, and changes in fund balances	<ul style="list-style-type: none">• Statements of fiduciary net assets
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the Clerk's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid.

ASCENSION PARISH CLERK OF COURT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

Government-wide Statements

The government-wide statements report information about the Clerk as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Clerk's net assets and how they have changed. Net assets—the difference between the Clerk's assets and liabilities—is one way to measure the Clerk's financial health, or position.

- Over time, increases or decreases in the Clerk's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Clerk you need to consider additional nonfinancial factors such as the growth of Ascension Parish.

The government-wide financial statements of the Clerk include:

- Governmental activities—most of the Clerk's basic services are included here, such as personal services and benefits, and operating activities. Charges for services such as, recording, suits, certified copies, and criminal fees finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Clerk's most significant funds—not the Clerk as a whole. Funds are accounting devices that the Clerk uses to keep track of specific sources of funding and spending for particular purposes.

The Clerk has two kinds of funds:

- Governmental funds—Most of the Clerk's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- Fiduciary funds— These funds are used as depositories for suits. Disbursements from these funds are made to various litigants in suits, in the manner prescribed by law. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. We exclude these activities from the Clerk's government-wide financial statements because the Clerk cannot use these assets to finance its operations.

ASCENSION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

FINANCIAL ANALYSIS OF THE CLERK AS A WHOLE

Net assets. The Clerk's net assets increased between fiscal years 2007 and 2008 to approximately \$5.3 million. (See Table A-1.)

Table A-1
Clerk's Net Assets

	Governmental Activities	
	2008	2007
Current and other assets	\$5,056,413	\$4,229,123
Capital assets	317,465	299,608
Total assets	5,373,878	4,528,731
Current liabilities	32,174	17,688
Long term Liabilities	70,278	84,172
Total liabilities	102,452	101,860
Net assets		
Invested in capital assets, net of related debt	317,465	299,608
Unrestricted	4,953,961	4,127,263
Total net assets	\$5,271,426	\$4,426,871

Changes in net assets. The Clerk's total revenues decreased slightly 0.3 percent. (See Table A-2.) Approximately 92 percent of the Clerk's revenue comes from charges for services. Another 7 percent comes from interest income. The remaining 1 percent is comprised of miscellaneous fees.

The total cost of all programs and services increased approximately \$158,500 or 5.1 percent. The Clerk's expenses cover all services performed by its office.

ASCENSION PARISH CLERK OF COURT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

Governmental Activities

Revenues for the Clerk's governmental activities decreased 0.3 percent to \$4.1 million while total expenses increased by 5.1 percent.

**Table A-2
Changes in Clerk's Net Assets**

	Governmental Activities	
	2008	2007
Revenues		
Program revenues		
Charges for services	<u>\$3,758,781</u>	<u>\$3,763,442</u>
General revenues		
Miscellaneous	53,776	43,832
Interest	<u>293,036</u>	<u>311,396</u>
Total revenues	<u>4,105,593</u>	<u>4,118,670</u>
Expenses		
Personal services and benefits	2,573,452	2,480,266
Other operating	<u>687,586</u>	<u>622,288</u>
Total expenses	<u>3,261,038</u>	<u>3,102,554</u>
Increase in net assets	<u>\$ 844,555</u>	<u>\$ 1,016,116</u>

FINANCIAL ANALYSIS OF THE CLERK'S FUNDS

As the Clerk completed the year, its governmental funds reported a fund balance of \$5,024,239, an increase from last year of approximately \$812,804.

General Fund Budgetary Highlights

Over the course of the year, there were no amendments to the general fund.

ASCENSION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008

CAPITAL ASSETS

At the end of 2008, the Clerk had invested \$317,465 in capital assets. (See Table A-3.)

Table A-3
Clerk's Capital Assets
(net of depreciation)

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
Equipment	\$ 303,470	\$ 280,015
Vehicles	13,995	19,593
Total	\$317,465	\$299,608

This year's major capital assets additions include:

- The purchase of space saver storage systems for the recording department and for the armory costing \$52,378.
- Computer equipment and software was purchased to enable customers to access public records on line costing \$15,706.

This year's major capital disposals include:

- Obsolete office equipment such as computers, printers and monitors costing approximately \$11,798

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Clerk is dependent on charges for services for 92 percent of its revenues. The economy is not expected to generate any significant growth. Therefore, the Clerk's future revenues are expected to be consistent with the current years. The budget for the 2008 year is approximately the same as the year 2007's budget.

CONTACTING THE CLERK'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Clerk's finances and to demonstrate the Clerk's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Ascension Parish Clerk's Office, 815 E. Worthey, Gonzales, LA 70737.

ASCENSION PARISH CLERK OF COURT

STATEMENT OF NET ASSETS

JUNE 30, 2008

ASSETS

Cash	\$ 4,888,407
Receivables	121,178
Due from other funds	46,828
Capital assets, net of accumulated depreciation	<u>317,465</u>
TOTAL ASSETS	<u>\$ 5,373,878</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 32,174
Total current liabilities	<u>32,174</u>

LONG-TERM LIABILITIES

Compensated absences payable	<u>70,278</u>
Total long-term liabilities	<u>70,278</u>

TOTAL LIABILITIES	<u>102,452</u>
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NET ASSETS

Invested in capital assets	317,465
Unrestricted	<u>4,953,961</u>
TOTAL NET ASSETS	<u>\$ 5,271,426</u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH CLERK OF COURT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u> <u>Governmental Unit</u>
<u>FUNCTIONS/PROGRAMS</u>			
Governmental activities:			
General government	<u>\$ 3,261,038</u>	<u>\$ 3,758,781</u>	<u>\$ 497,743</u>
Total governmental activities	<u>3,261,038</u>	<u>3,758,781</u>	<u>497,743</u>
General Revenues:			
Miscellaneous			<u>53,776</u>
Interest			<u>293,036</u>
Total general revenues			<u>346,812</u>
Change in net assets			<u>844,555</u>
Net assets - July 1, 2007			<u>4,426,871</u>
Net assets - June 30, 2008			<u>\$ 5,271,426</u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH CLERK OF COURT

BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2008

ASSETS

	<u>General Fund</u>
Cash	\$ 4,888,407
Accounts receivable	109,673
Accrued interest	11,505
Due from other funds	46,828
	<hr/>
Total assets	<u><u>\$ 5,056,413</u></u>

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	\$ 32,174
	<hr/>
Total liabilities	<u>32,174</u>
Fund balance	
Unreserved - undesignated	5,024,239
	<hr/>
Total fund balance	<u>5,024,239</u>
Total liabilities and fund balances	<u><u>\$ 5,056,413</u></u>

The accompanying notes are an integral part of this statement.

ASCENSION PARISH CLERK OF COURT

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2008

Total fund balances - Governmental Fund		\$ 5,024,239
Cost of capital assets at June 30, 2008	1,348,756	
Less: accumulated depreciation as of June 30, 2008	<u>1,031,291</u>	317,465
Less: Long-term liabilities at June 30, 2008		
Compensated absences payable		<u>70,278</u>
Total net assets at June 30, 2008 - Governmental Activities		<u><u>\$ 5,271,426</u></u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH CLERK OF COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED JUNE 30, 2008

	<u>2008</u>
<u>REVENUES</u>	
Certified copies	\$ 276,095
Criminal fees	245,396
Recording	1,612,538
Suits	1,604,072
Court attendance	20,680
Miscellaneous	53,776
Interest	<u>293,036</u>
Total Revenues	<u>4,105,593</u>
<u>EXPENDITURES</u>	
Current:	
Personal services and benefits	\$ 2,573,452
Operating	596,982
Capital outlay	<u>122,355</u>
Total Expenditures	<u>3,292,789</u>
Excess of Revenues over Expenditures	812,804
Fund Balance, July 1, 2007	<u>4,211,435</u>
Fund Balance, June 30, 2008	<u>\$ 5,024,239</u>

The accompanying notes are an integral part of this statement.

ASCENSION PARISH CLERK OF COURT

RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2008

Excess of Revenues and Other Sources Over Expenditures and Other Uses	\$ 812,804
Capital Assets:	
Capital outlay capitalized	114,756
Depreciation expense for year ended June 30, 2008	(94,093)
Less: Excess of compensated absences earned over compensated absences used	13,894
Difference on sale of asset	<u>(2,806)</u>
Change in Net Assets - Governmental Activities	<u>\$ 844,555</u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH CLERK OF COURT

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUNDS

JUNE 30, 2008

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 2,804,448
Certificates of deposit	<u>1,000,000</u>
Total Assets	<u><u>\$ 3,804,448</u></u>
 LIABILITIES	
Unsettled deposits	<u>\$ 3,804,448</u>
Total Liabilities	<u><u>\$ 3,804,448</u></u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public; the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The clerk of court is elected to a four-year term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Ascension Parish Clerk of Court have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments, issued in June 1999.

All governmental activities of the Clerk follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

B. FUND ACCOUNTING

The Clerk uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain clerk functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for most of the Clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk of Court. The following is the clerk's governmental fund:

General Fund

The General fund is the primary operating fund of the Clerk. It is used to account for all financial resources except those required to be accounted for in other funds. The General fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to clerk policy.

ASCENSION PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FUND ACCOUNTING (continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the clerk are agency funds. The agency funds are used to account for assets held by the Clerk as an agent for litigants held pending court action. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The statement of net assets and the statement of activities display information about the primary government (the Clerk). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

The GWFS and fiduciary fund statements are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Clerk gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

FUND FINANCIAL STATEMENTS:

The amounts reflected in the General Fund are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in net fund balances reports on the sources (i.e., revenues and other financing resources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of clerk operations.

ASCENSION PARISH CLERK OF COURT
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS (continued)

FUND FINANCIAL STATEMENTS (continued)

The fund financial statements provide information about the Clerk's funds, including its fiduciary funds. Separate statements for each fund category- governmental and fiduciary- are presented. The emphasis of fund financial statements is on major governmental funds.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Clerk considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Copies, fees, recording, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds.

D. REPORTING ENTITY

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Clerk is considered a primary government, since it is a special purpose government, the Clerk is elected, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Clerk may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Clerk also has no component units, defined by GASB Statement 14 as other legally separate organizations for which the Clerk is financially accountable. There are no other primary governments with which the Clerk has a significant relationship.

E. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their estimated fair value at the date of donation. The clerk maintains a threshold of \$250 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

ASCENSION PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. CAPITAL ASSETS (continued)

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Vehicles	5
Equipment	5-10

F. BUDGETS AND BUDGETARY ACCOUNTING

The Clerk follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 15, the Clerk completes and submits for public inspection an operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing those expenditures.
2. Formal budgetary integration is employed as a management control device during the year for the General Fund.
3. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. Budgeted amounts are as originally adopted, or as amended by the Clerk. Individual amendments were not material in relation to the original appropriations.
5. All annual appropriations lapse at fiscal year end.

G. ADVANCES TO OTHER FUNDS

Non current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

H. COMPENSATED ABSENCES

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

ASCENSION PARISH CLERK OF COURT
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits and investments in the Louisiana Asset Management Pool, Inc. (LAMP). Under state law, the Clerk of Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States and LAMP.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND CERTIFICATES OF DEPOSIT

At June 30, 2008, the Clerk had cash and certificates of deposit totaling \$ 2,492,855 as follows:

Petty Cash	\$ 200
Demand deposit	<u>1,492,655</u>
Total	\$1,492,855
Certificates of deposit	\$ <u>1,000,000</u>
Total deposits	\$ <u>2,492,855</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

3. CUSTODIAL CREDIT RISK- DEPOSITS

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2008, the Clerk's bank balance was not exposed to custodial credit risk.

ASCENSION PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENTS

The Clerk invested \$6,200,000 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP as of June 30, 2008 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors consisting of the State Treasurer and representatives from various organizations of local government who are investors in LAMP. LAMP is rated AAAM by Standard & Poor's.

At June 30, 2008, the Clerk had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1 year</u>
<u>Agency funds</u>		
LAMP Funds	<u>\$ 1,700,000</u>	<u>\$1,700,000</u>
<u>General Fund</u>		
LAMP funds	<u>4,500,000</u>	<u>4,500,000</u>
Total investments	<u>\$6,200,000</u>	<u>\$6,200,000</u>

Interest Rate Risk- The Clerk's office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2008, are as follows:

	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Cost of Capital			
Assets June 30, 2007	\$ 27,990	\$1,217,808	\$1,245,798
Additions	-	114,756	114,756
Deletions	-	(11,798)	(11,798)
Costs of Capital Assets, June 30, 2008	<u>\$ 27,990</u>	<u>\$1,320,766</u>	<u>\$ 1,348,756</u>
Accumulated depreciation, June 30, 2007	\$ 8,397	\$ 937,793	\$ 946,190
Additions	5,598	88,495	94,093
Deletions	-	(8,992)	(8,992)
Accumulated depreciation, June 30, 2008	<u>13,995</u>	<u>1,017,296</u>	<u>1,031,291</u>
Capital assets, net of accumulated depreciation, June 30, 2008	<u>\$ 13,995</u>	<u>\$ 303,470</u>	<u>\$ 317,465</u>

For the year ended June 30, 2008 depreciation expense was \$94,093.

ASCENSION PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS

6. DEFINED BENEFITS PENSION PLAN

Plan Description

Substantially all employees of the Ascension Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Ascension Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Ascension Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Ascension Parish Clerk of Court's contributions to the System for the years ending June 30, 2008, 2007 and 2006 were \$ 363,488, \$381,611, and \$338,772; respectively, equal to the required contributions for each year.

7. DEFERRED COMPENSATION PLAN

The Clerk adopted an (IRC) 457 deferred compensation plan effective February 1, 2001. The plan covers all full time employees. The Clerk matches up to 10 percent of employee contributions. The Clerk's contributions for the years ending June 30, 2008 and 2007 were \$144,167 and \$134,621, respectively.

ASCENSION PARISH CLERK OF COURT
NOTES TO THE FINANCIAL STATEMENTS

8. EXCESS FUND BALANCE

Louisiana Revised Statute 13:785 requires that every four years (at the expiration of the term of office) the Clerk must pay the parish treasurer any balance in the Clerk's salary fund which exceeds one-half of the revenues of the last year of the term, which amount shall be limited to not more than that which was received by the clerk in accordance with R.S. 13:784(A) during said term of office. The Parish Council has not provided any funding to the Clerk under statute R.S. 13:784 (A). At June 30, 2008, there was no amount due the parish treasurer.

9. EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH COUNCIL

Certain operating expenditures of the Clerk's office are paid by the parish council and are not included in the accompanying financial statements.

10. POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

In addition to providing pension benefits described in Note 6, the Clerk, in accordance with state statutes, provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the employees become eligible for these benefits if they reach normal retirement age while working for the Clerk. The insurance premiums are paid jointly by the retired employee and the Clerk. In year ended June 30, 2008 the Clerk paid approximately 50% of the insurance premiums for five retired employees totaling \$18,082. The Clerk recognizes the cost of providing these benefits (the Clerk's portion of premiums) as an expenditure on a pay-as-you-go basis when the monthly premiums are due.

11. RISK MANAGEMENT

The Clerk is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk purchased a commercial insurance policy to satisfy claims related to general liability, automobile liability, property and casualty, employee health and accident, and errors and omissions.

12. CHANGES IN LONG -TERM DEBT

At June 30, 2008, employees of the Clerk's office have accumulated and vested \$70,278 of employee leave benefits. The following is a summary of long-term debt transactions during the year:

	Compensated Absences
Long term obligations payable at July 1, 2007	\$ 84,172
Additions	-
Deletions	<u>(13,894)</u>
Long term obligations payable at June 30, 2008	<u>\$ 70,278</u>

ASCENSION PARISH CLERK OF COURT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Certified copies	\$ 300,000	\$ 300,000	\$ 276,095
Criminal fees	165,000	165,000	245,396
Recording	1,709,500	1,709,500	1,612,538
Suits	1,250,000	1,250,000	1,604,072
Court attendance	25,000	25,000	20,680
Miscellaneous	40,000	40,000	53,776
Interest	315,000	315,000	293,036
	<u>3,804,500</u>	<u>3,804,500</u>	<u>4,105,593</u>
<u>Total Revenues</u>			
	<u>3,804,500</u>	<u>3,804,500</u>	<u>4,105,593</u>
<u>EXPENDITURES</u>			
<u>Current:</u>			
Personal services and benefits	2,670,048	2,670,048	2,573,452
Operating	632,400	632,400	596,982
Capital outlay	150,000	150,000	122,355
	<u>3,452,448</u>	<u>3,452,448</u>	<u>3,292,789</u>
<u>Total Expenditures</u>			
	<u>3,452,448</u>	<u>3,452,448</u>	<u>3,292,789</u>
 Excess of Revenues over Expenditures	 352,052	 352,052	 812,804
 Fund Balance, July 1, 2007	 4,211,435	 4,211,435	 4,211,435
 Fund Balance, June 30, 2008	 <u>\$ 4,563,487</u>	 <u>\$ 4,563,487</u>	 <u>\$ 5,024,239</u>

ASCENSION PARISH CLERK OF COURT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2008

SUMMARY OF AUDIT RESULTS

1. The auditor's report expressed an unqualified opinion on the financial statements of Ascension Parish Clerk of Court.
2. No significant deficiencies relating to the audit of the financial statements are reported in the report on compliance and internal control.
3. No instances of noncompliance material to the financial statements of Ascension Parish Clerk of Court were disclosed during the audit.

FINDINGS – FINANCIAL STATEMENT AUDIT

None